# **Appropriations Committee**

105th Legislature, Second Session

2018 Bill Summary

# APPROPRIATIONS COMMITTEE

# One Hundred Fifth Legislature Second Session – 2018

# Members of the Committee:

Senator John Stinner, Chairperson	Gering
Senator Kate Bolz, Vice Chairperson	Lincoln
Senator Robert Clements	Elmwood
Senator Robert Hilkemann	Omaha
Senator John Kuehn	Heartwell
Senator Mike McDonnell	Omaha
Senaror Tony Vargas	
Senator Dan Watermeier	Syracuse
Senator Anna Wishart	

# Committee Staff:

Committee Clerk	
Research Analyst	Mitchell Clark

# Appropriations Committee 105<sup>th</sup> Legislature, Second Session 2018

# Bills Referred to the Committee (Not Including Budget Bills)

LB674	Krist	In Committee	State intent to appropriate funds to the Division of Aeronautics for the Civil Air Patrol
LB677	Krist	In Committee	Change appropriations for certain health and human services programs
LB715	Howard	In Committee	State intent relating to appropriations to local public health departments
LB716	Howard	In Committee	Appropriate funds to the Department of Correctional Services
LB727	Wayne	In Committee	Provide for appropriations to the Nebraska State Historical Society
LB775	Stinner	Passed	Adopt the State Park System Construction Alternatives Act
LB802	Stinner	In Committee	Create the Nebraska Tourism Commission Promotional Cash Fund and provide for its use
LB861	Watermeier	Passed	Authorize claims to the state for certain costs relating to correctional incident prosecutions as prescribed
LB864	Walz	In Committee	Designate funds appropriated to the Department of Health and Human Services for state aid
LB871	Wishart	In Committee	Appropriate funds to the Department of Correctional Services:
LB938	Stinner	In Committee	Change provisions relating to the transfer of excess General Fund net receipts to the Cash Reserve Fund
LB985	Howard	In Committee	Provide for state funding of prenatal care under the medical assistance program
LB1002	Wishart	In Committee	Create the Nebraska Film Office Fund
LB1055	Crawford	In Committee	Create the Intern Nebraska Cash Fund and state intent regarding appropriations
LB1061	Wayne	In Committee	State intent relating to appropriations relating to a grant program as prescribed
LB1062	McDonnell	In Committee	State intent relating to appropriations for the Tobacco Prevention and Control Program
LB1101	Vargas	In Committee	State intent relating to appropriations to behavioral health services providers

# 2017 carry over bills with activity in 2018:

LB379	Harr	Passed	Create the Willa Cather Historical Building Cash Fund and provide for grants for and change provisions relating to the Willa Cather historical buildings
LB538	Wishart	In Committee	Appropriate funds for Legal Education for Public Service and Rural Practice Loan Repayment Assistance
LB611	Stinner	Select File	Require state agencies to provide a federal funding inventory

Hearing Date:

March 8, 2017

Introducer:

Senator Harr

One Liner:

Create the Willa Cather Historical Building Cash Fund and provide

for a transfer of funds

Proponents:

Representing:

Senator Burke Harr

Introducer

Ashley Olson

Willa Cather Foundation

Andrew Jewell Charles Johanningsmeier Professor – University of Nebraska-Lincoln Professor – University of Nebraska-Omaha

Opponents:

Representing:

Andy Pollock John Ricks Nebraska Travel Association Nebraska Tourism Commission

Neutral:

Representing:

#### Statement of Intent:

Legislative Bill 379 creates the Willa Cather Historical Building Cash Fund to preserve and restore Will Cather-related properties, specifically the Cather House and the Antonia Farmhouse. The Fund is to be administered by the Nebraska State Historical Society.

#### Requested Funds:

FY17-18

\$0

FY18-19

\$0

Committee Action: Advanced to General File with AM1452

#### Additional Note:

LB 379, as amended, creates the Willa Cather Historical Building Cash Fund to be administered by the Nebraska State Historical Society (NSHS). Section 3 allows the Civic and Community Center Financing Fund to be used to assist in the preservation

and restoration of historic buildings owned by a nonprofit organization if a contractual relationship is created between a municipality and the nonprofit organization. Section 4 allows the NSHS to enter into an agreement with the Willa Cather Foundation to transfer clear title of any properties described in section 82-130 from the State of Nebraska to the Foundation at no cost to either the society or foundation other than any property transfer transactional costs to be shared equally. No fiscal impact

Hearing Date:

March 6, 2017

Introducer:

Senator Wishart

One Liner:

Appropriate funds for Legal Education for Public Service and Rural

Practice Loan Repayment Assistance

Proponents:

Senator Anna Wishart

Thomas Maul

Milo Mumgaard

Richard Moberly Paul McGreal

Jeff Pickens

Representing:

Introducer

Nebraska State Bar Association

Legal Aid of Nebraska

University of Nebraska College of Law Creighton University School of Law

Nebraska Commission on Public Advocacy

Opponents:

Representing:

Neutral:

Representing:

#### Statement of Intent:

LB 538 appropriates \$151,500 from the General fund for both FY2017-18 and FY2018-19 to the Commission on Public Advocacy, for Program 430, the Legal Education for Public Service and Rural Practice Loan Repayment Assistance aid.

#### Requested Funds:

FY17-18 \$151,500 G FY18-19 \$151,500 G

**Committee Action**: Appropriate funds for Legal Education for Public Service and Rural Practice Loan Repayment Assistance. Transfer amounts: \$125,000 first year; \$150,000 second year. (Transfer State Settlement Cash Fund to Commission on Public Advocacy.)

#### **Additional Note:**

Found in LB 945. This is a one-time transfer.

Hearing Date:

March 9, 2017

Introducer:

Senator Stinner

One Liner:

Require state agencies to provide a federal funding inventory

Proponents:

Sarah Curry

Senator John Stinner

Wayne Hoffman

Opponents:

Gerry Oligmueller

Neutral:

Jonathan Williams

Representing:

Introducer Platte Institute

Idaho Freedom Foundation

Representing:

DAS - State Budget Division

Representing:

American Legislative Exchange Council

#### Statement of Intent:

During the last fiscal year, federal receipts were approximately 30 percent of the state's total appropriations. Currently, federal grant applications are initiated and managed by each agency individually. While federal funds are appropriated in budget bills, they are typically shown as estimates, and the commitments incurred or other maintenance of effort requirements are typically only known to the agencies dealing directly with the funds. LB611 bill would require the annual reporting of federal funds received by agencies participating in the state budgeting process. The report will also require each agency to report operating plans in the event federal receipts are reduced by 10% or more and 25% or more. This is necessary so that the executive and legislative branches are prepared to act in the best interests of Nebraska's stakeholders should funding be reduced.

#### Requested Funds:

FY17-18 \$759,613 G FY18-19 \$785,535 G

Committee Action: Committee priority. Placed on General File with AM655 – Nebraska State College System and University of Nebraska are excluded from provisions of LB 611. Statute only requires federal funding inventory be provided by September 15 to DAS.

# **Additional Note:**

Remains on General File 2018 –Sits on Select File

Hearing Date:

January 30, 2018

Introducer:

Senator Krist

One Liner:

State intent to appropriate funds to the Division of Aeronautics for

the Civil Air Patrol

Proponents:

Representing:

Senator Bob Krist Darrell Nelson Thomas Pflug Introducer Civil Air Patrol Civil Air Patrol

Opponents:

Representing:

Kyle Schneweis Ronnie Mitchell Neb. Dept. of Transportation Neb. Dept. of Transportation

Jon Large

Neb. Association of Airport Officials

Neutral:

Representing:

#### Statement of Intent:

LB 674 is to state the intent to appropriate funds to the Division of Aeronautics of the Department of Transportation for use by the division to fund the activities of the Nebraska Wing of the Civil Air Patrol.

## Requested Funds:

FY18-19

\$80,400 C

FY19-20

\$0

Committee Action: Restored funding - \$80,400

Hearing Date:

February 12, 2018

Introducer:

Senator Krist

One Liner:

Change appropriation for certain health and human services

programs

Proponents:

Representing:

Senator Bob Krist

Introducer

Alan Zavodny

Northstar Services

Elton Lewis Ingram Todd Bell

Teamsters Local Union 554 Teamsters Local Union 554

Theodore Gillespie

Neb. Labor Unity Council; Teamsters Local

Union 544

Annette Dubas

Neb. Assoc. of Behavioral Health Orgs

Andy Hale

Neb. Hospital Association

Edison McDonald

The ARC of Nebraska

Opponents:

Representing:

Neutral:

Representing:

#### Statement of Intent:

Legislative Bill 677 relates to appropriations. It would amend Laws 2017, LB327, sections 97, 104,106, and 110, change appropriations, repeal the original sections and declare an emergency.

#### Requested Funds:

FY18-19

\$16,864,489 G

FY19-20

\$16,864,489 G

Committee Action: No action.

#### Additional Note:

His bill would have restored the provider rate increases vetoed by the Governor in the 2017 session.

Hearing Date: Introducer:

February 12, 2018 Senator Howard

One Liner:

State intent relating to appropriations to local public health

departments

Proponents:

Representing:

Senator Sara Howard

Introducer

Kim Engel Ryan Larsen Panhandle Public Health District Community Medical Center

James Michael Bowers

Self

Adi Pour

Friends for Public Health

Opponents:

Representing:

Neutral:

Representing:

#### Statement of Intent:

LB 715 appropriates \$900,000 for FY 2018-2019 to program 502, for the eighteen local public health departments. It is the intent of LB 715 that each public health department receive \$50,000 for the purpose of improving preventative health and promoting worksite wellness.

#### Requested Funds:

FY18-19 \$900,000 G FY19-20 \$900,000 G

Committee Action: No action.

Hearing Date:

February 13, 2018

Introducer:

Senator Howard

One Liner:

Appropriate funds to the Department of Correctional Services

Proponents:

Representing:

Senator Sara Howard Doug Koebernick

Introducer

Inspector General for Corrections

Opponents:

Representing:

Scott Frakes

Neb. Department of Corrections

Neutral:

Representing:

#### Statement of Intent:

LB 716 appropriates \$500,000 from the General Fund for FY 2018-2019 to the Department of Correctional Services, Program 200 for the costs associated with the implementation of electronic health records.

#### Requested Funds:

FY18-19

\$500,000 G

FY19-20

\$500,000 G

Committee Action: No action.

#### **Additional Note:**

There was no FY2019-20 appropriation

Hearing Date:

February 6, 2018

Introducer:

Senator Wayne

One Liner:

Provide for appropriations to the Nebraska State Historical Society

Proponents:

Representing:

Senator Justin Wayne

Introducer

Opponents:

Representing:

Neutral:

Representing:

#### Statement of Intent:

LB 727 appropriates \$1 million per year, for the next four years, for development of new historical sites and markers, expansion of existing sites, and refurbishing existing historical markers.

# Requested Funds:

FY18-19

\$1,000,000 G

FY19-20

\$1,000,000 G

Committee Action: No action.

Hearing Date: Introducer: January 31, 2018 Senator Stinner

One Liner:

Adopt the State Park System Construction Alternatives Act

Proponents:

Representing:

Senator John Stinner

Introducer
Neb Game and

Tim McCoy Ward Hoppe Vanessa Silke Neb. Game and Parks Commission Omaha/Lincoln Homebuilders Coalition

Nebraska AIA

Walt Radcliffe

Friends of NE Parks/ Associated General

Contractors-Neb. Building Chapter

Opponents:

Representing:

Neutral:

Representing:

#### Statement of Intent:

LB775 authorizes the Nebraska Game and Parks Commission to utilize alternative methods of contracting for public projects for buildings in the state park system, specifically authorizing the use of the Design-Build and Construction Manager/General Contractor contracting methods. Through previous legislation, public schools, cities, villages, community colleges and state colleges have been provided the ability to use alternative delivery methods in addition to the traditional Design-Bid-Build method. LB775 would provide the Commission the option and ability to use these alternative methods of contracting, which they currently do not have. It would allow them to use their internal professional advice from their Engineering, Parks, and Administrative staff to evaluate the best delivery method for a particular project.

## Requested Funds:

FY18-19

FY19-20 see "/

see "Additional Note"

**Committee Action**: Committee priority bill. LB 775 placed on General File with AM1723.

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Fiscal impact is not immediately determinable.

Hearing Date: Introducer:

February 1, 2018 Senator Stinner

One Liner:

Create the Nebraska Tourism Commission Promotional Cash Fund

and provide for its use

Proponents:

Representing:

Senator John Stinner

Introducer

John Ricks

Nebraska Tourism Commission

Opponents:

Representing:

Neutral:

Representing:

#### Statement of Intent:

LB802 would require that advertising revenue collected by vendors under contract with the Nebraska Tourism Commission be submitted to the Commission and deposited in a newly created fund: the Nebraska Tourism Commission Promotional Cash Fund. In addition, LB802 would allow the Commission to access these funds to carry out the agency's purpose under the Nebraska Visitors Development Act.

#### Requested Funds:

FY18-19

FY19-20 See "Additional Note"

**Committee Action**: Created the Nebraska Tourism Commission Promotional Cash Fund. Gives the Commission authority to expend revenue collected.

#### **Additional Note:**

The amount to be collected in future years will depend upon the level of advertising sales.

Hearing Date: Introducer:

February 13, 2018 Senator Watermeier

One Liner:

Authorize claims to the state for certain costs relating to

correctional incident prosecutions as prescribed

Proponents:

Representing:

Senator Dan Watermeier

Introducer

Ted Evans Larry Dix Johnson County Commissioner Neb. Assoc. of County Officials

Opponents:

Representing:

Neutral:

Representing:

#### Statement of Intent:

LB 861 would require the state to pay a county's prosecution costs arising from a single correctional institution incident that exceed 2 1/2 cents of the county's levy.

#### Requested Funds:

FY18-19

FY19-20

See "Additional Note"

**Committee Action**: Committee priority bill. LB 861 placed on General File with AM1946.

#### Additional Note:

AM1946 states that an incident involving one or more crimes will be identified as a single incident. The amendment puts in place a process for filing and paying of a claim as provided by the State Miscellaneous Claims Act. AM1946 also applies to any correctional institution incident retroactive to on or after May 1, 2015. LB861 had an amendment (AM2854) that was adopted after AM1946. This bill, as amended, has the potential for a fiscal impact to the state, but that amount, if any, is not able to be determined at this time.

Hearing Date:

February 12, 2018

Introducer:

Senator Walz

One Liner:

Designate funds appropriated to the Department of Health and

Human Services for state aid

Proponents:

Representing:

Senator Lynne Walz

Introducer

Mark Matulka

Mosaic

Dave Merrill

Neb. Assoc. of Service Providers

Opponents:

Representing:

Neutral:

Representing:

#### Statement of Intent:

The purpose of LB864 is to designate funds appropriated to the Department of Health and Human Services for state aid for Program 424 to account for a missed federal match.

#### Requested Funds:

FY18-19

FY19-20

See "Additional Note"

Committee Action: Restored \$2.7 million for DD.

#### Additional Note:

The bill provides \$5,399,138 of general funds to replace federal Medicaid funds in FY2017-18 that were not received. The loss of federal funds was due to duplicated billing for day programming beyond 35 hours per week. Beginning October 1, 2016, the payments to developmental disability providers by the Department of Health and Human Services for over 35 hours per week of services included only the state share.

Hearing Date:

February 13, 2018

Introducer:

Senator Wishart

One Liner:

Appropriate funds to the Department of Correctional Services

Proponents:

Representing:

Senator Anna Wishart

Introducer

Doug Koebernick

Inspector General for Corrections

Opponents:

Representing:

William Wood Scott Frakes Dept. of Administrative Services

Dept. of Corrections

Neutral:

Representing:

John Antonich

NAPE/AFSCME Local 61

#### Statement of Intent:

LB 871 would direct the Nebraska Department of Correctional Services to implement a longevity pay program.

## Requested Funds:

FY18-19

FY19-20

See "Additional Note"

Committee Action: No action

#### Additional Note:

The bill has an indeterminate fiscal impact at this time.

Hearing Date:

February 8, 2018 Senator Stinner

Introducer: One Liner:

Change provisions relating to the transfer of excess General Fund

net receipts to the Cash Reserve Fund

Proponents:

Representing:

Senator John Stinner Robert Zahradnik Introducer

PEW Charitable Trust

Opponents:

Representing:

Neutral:

Representing:

#### Statement of Intent:

The purpose of LB938 is to modify the current deposit rule to better guide when and how much the state should save. Currently, deposits to the Cash Reserve Fund are based on surpluses resulting from when revenue exceeds the forecast. This is commonly referred to as depositing based on forecasting error. If revenues are growing faster than normal, then a percentage of that excess revenue could be transferred to the Cash Reserve Fund. This ensures the largest deposits are made when revenue growth is highest, while also preventing extraordinary tax collections from funding recurring expenditures. LB938 would cap the deposits allowed into the Cash Reserve Fund so that it does not exceed 16% of expenditures to allow for other budgetary priorities. LB938 would add a supplementary deposit rule to the current forecasting error method. The greater of the two would be the amount which is deposited into the Cash Reserve Fund. The formula for the alternative rule is as follows: 50% x (Actual revenue, current FY x [Annual % increase, current FY – Average annual % increase, 10-year]).

#### Requested Funds:

FY18-19

FY19-20

See "Additional Note"

Committee Action: No action

#### Additional Note:

Under LB938, the amount to transfer shall be the greater of (a) actual General Fund net receipts for the most recently completed fiscal year minus estimated General Fund net receipts for such fiscal year; or (b) fifty percent of the product of actual General Fund net receipts for the most recently completed fiscal year times the difference between the annual percentage increase in the actual General Fund net receipts for the most recently completed fiscal year and the average annual percentage increase in the actual General Fund net receipts over the ten previous fiscal years. Under LB938, transfers to the Cash Reserve Fund could be required even if actual receipts were substantially below forecast.

Hearing Date: Introducer:

February 12, 2018 Senator Howard

One Liner:

Provide for state funding of prenatal care under the medical

assistance program

Proponents:

Representing:

Senator Sara Howard

Introducer

Kenny McMorriss

Health Center Association of Nebraska

Molly McCleery

Nebraska Appleseed

Julia Tse Marion Miner Voices for Children in Nebraska Nebraska Catholic Conference

Opponents:

Representing:

Neutral:

Representing:

#### Statement of Intent:

LB 985 provides that if federal funding is no longer available to cover the costs of the Children's Health Insurance Program, the Legislature shall ensure that sufficient funds are appropriated to cover the cost of the program.

#### Requested Funds:

FY18-19

\$0

FY19-20

\$0

Committee Action: No action

#### Additional Note:

With the authorization of the Children's Health Insurance Program, the provisions in the bill are no longer needed.

Hearing Date:

February 15, 2018

Introducer:

Senator Wishart

One Liner:

Create the Nebraska Film Office Fund

Proponents:

Representing:

Senator Anna Wishart

Introducer

Opponents:

Representing:

Neutral:

Representing:

Laurie Richards

Nebraska Film Office

#### Statement of Intent:

LB 1002 creates the Nebraska Film Office Fund. This fund could be used for future appropriations, grant funding, or gifts to promote film production in Nebraska.

## Requested Funds:

FY18-19

\$0

FY19-20

\$0

Committee Action: Created the Nebraska Film Office Fund

Hearing Date: Introducer:

February 15, 2018 Senator Crawford

One Liner:

Create the Intern Nebraska Cash Fund and state intent regarding

appropriations

Proponents:

Representing:

Senator Sue Crawford

Introducer

Opponents:

Representing:

Neutral:

Representing:

Marco Floreani

Greater Omaha Chamber; Lincoln Chamber of

Commerce; Nebraska Chamber of Commerce

& Industry

#### Statement of Intent:

LB 1055 removes the Intern Nebraska program from the Job Training Cash Fund and creates the Intern Nebraska Cash Fund. All funds in the Job Training Cash Fund that were dedicated to carrying out the Intern Nebraska program but were not yet expended are to be transferred to the Intern Nebraska Cash Fund. In order to secure sustainable funding for the Intern Nebraska Program, LB 1055 creates legislative intent that the annual appropriation for the Business Innovation Act will reduced by \$1.5 million dollars and that these funds will be used for the Intern Nebraska Program.

#### Requested Funds:

FY18-19	(\$1,500,000) G-expense; (\$1,500,000) G-revenue; \$1,500,000 C-revenue
FY19-20	(\$1,500,000) G-expense; (\$1,500,000) G-revenue; \$1,500,000 C-revenue

**Committee Action**: Created the Intern Nebraska Cash Fund; Job Training Cash Fund transfer of \$700,000 to the Intern Nebraska Cash Fund (first year); Transfer from the Nebraska Progress Loan Fund to the Intern Nebraska Cash Fund (\$1.2 million – second year)

#### **Additional Note:**

Requested Funds: Assuming that \$1,500,000 General Funds would be transferred to the Intern Nebraska Cash Fund on an annual basis, and the General Funds

appropriated to the Business Innovation Act are reduced by \$1,500,000 annually, there would be no net General Fund impact to the Department of Economic Development. There would be no net increase in cash fund expenditures because the current Job Training Cash Fund expenditure authority includes the internship program.

Hearing Date: Introducer:

February 15, 2018 Senator Wayne

One Liner:

State intent relating to appropriations relating to a grant program as

prescribed

Proponents:

Representing:

Senator Justin Wayne

Introducer

Opponents:

Representing:

Marco Floreani

Greater Omaha Chamber

Neutral:

Representing:

#### Statement of Intent:

LB 1061 will appropriate \$2,000,000.00 to the Nebraska Department of Economic Development for distribution of grants to internship programs.

#### Requested Funds:

FY18-19

(\$2,000,000) G; \$2,000,000 C

FY19-20

see "Additional Note"

Committee Action: No action

#### Additional Note:

The rate of expenditures from the Job Training Cash Fund would depend upon program applications and the number of grants awarded by DED. It is estimated that total amount of funding allocated in LB 1061 could be awarded over a one to two year period.

Hearing Date: Introducer:

February 15, 2018 Senator McDonnell

One Liner:

State intent relating to appropriations for the Tobacco Prevention

and Control Program

Proponents:

Representing:

Senator Mike McDonnell

Introducer

Brooklyn Larimore Brian Krannawitter Campaign for Tobacco Free Kids

Brian Krannawitter Nick Faustman Andy Hale American Heart Association American Cancer Society

Nebraska Hospital Association

Opponents:

Representing:

Neutral:

Representing:

## Statement of Intent:

LB 1062 appropriates an additional \$2,400,000 for FY2018 – 19, from the Nebraska Health Care Cash Fund to Agency No. 25, Program No. 30 for the Tobacco Prevention and Control Program.

## Requested Funds:

FY18-19

\$2,400,000 C

FY19-20

\$0

**Committee Action**: A one-time appropriation of \$500,000 to the Tobacco Prevention and Control Program from the Health Care Cash Fund in FY18

Hearing Date:

February 12, 2018 Senator Vargas

Introducer: One Liner:

State intent relating to appropriations to behavioral health services

providers

Proponents:

Representing:

Senator Tony Vargas

Introducer

Chase Francl

Friendship House, Inc.

Topher Hansen

Neb. Assoc. of Behavioral Health

Organizations

Deb Minardi

Neb. Probation Administration

Opponents:

Representing:

Neutral:

Representing:

#### Statement of Intent:

LB 1101 increases rates for three behavioral health services used extensively in substance use treatment for individuals on probation or leaving the correctional system. The rate increase will allow providers in Nebraska communities to continue to build capacity and ensure services are available, reducing recidivism.

## Requested Funds:

FY18-19 \$811,150 G; \$20,870 C; \$122,583 F FY19-20 \$811,150 G; \$20,870 C; \$122,583 F

Committee Action: No action